3/28/77 [1]

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	WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)					
FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION			
memo	From Michael Blumenthal To The President Re: Cargo Preference Legislation (28 pp.) / attached to memo from Rick Hutcheson to Stu Eizenstat et. al.	3/28/77	A			
memo w/att	From Michael Blumenthal To The President Re: Participation in EPG meeting on Shoes (10 pp.) 2 PAGES OF SUIGHT	3/28/77	A			
memo- w/att	From Androw Voung to The Bregident Bee Workly	3/28/77	A			

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of Staff Sec.-Pres. Handwriti File 3/28/77 [1] Box 14

RESTRICTION CODES

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NATIONAL ARCHIVES AND RECORDS ADMINISTRATION.

NA FORM 1429 (8-85)





THE SECRETARY OF THE TREASURY WASHINGTON 20220

CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

From:

W. Michael Blumenthal

Chairman, Economic Policy Group

Subject:

Your Participation in EPG Meeting on

Shoes: March 28, 2:45 p.m.

Issue

You must decide by April 9 whether to put restrictions on shoe imports, as recommended by the International Trade Commission (ITC), or take other actions which would be subject to a Congressional override.

The shoe problem is important for several reasons:

- -- Largest import relief case in history: \$1.4 billion of imports; 170 thousand workers in 36 states; accounts for 1.4% of the CPI.
- -- As first major trade decision, it will be a signal to other industries contemplating protectionist appeals.
- -- Involves a wide range of foreign suppliers: Italy, Spain, Brazil, Korea, Taiwan, Mexico; would hurt political atmosphere for the Economic Summit.
- -- Has broad domestic political implications, although less clearly defined than in some other industries.

Discussion at EPG Meeting

Attached is a paper in the form of a draft memorandum to you which lays out two broad options for discussion:

CONFIDENTIAL

DECLASSIFIED E.O.12958, Sec.3.6

PER 12 19 96 DOT HARE MR-NIC-96-173
BY NARS DATE 18 97

OPTION 1 -- No import restrictions on shoes together with a major new approach for federal adjustment assistance. Supported by CEA, State, Treasury and HUD.

OPTION 2 -- Import restrictions in addition to a special adjustment program, but less than recommended by the ITC (an annual tariff rate quota of 322 million pairs compared with 265 million recommended by the ITC and an actual import level of 370 million in 1976). Supported by STR, OMB, Commerce, Labor, and Agriculture.

Issues to be discussed are:

- a) Rationale in relation to anti-inflation program, broad foreign trade objectives, method of dealing with adjustment for declining industries.
- b) Economic impact of protectionist measures. Will protectionist measures really help the weaker shoe companies to adjust over the longer term?
- c) Modalities for a new adjustment program.
 There are budgetary and legislative implications for such an approach, and views vary somewhat among agencies. (A separate attachment presents a Commerce Department analysis.)
- d) Impact of import restriction option on foreign countries. Are appropriate distinctions made between industrialized and developing countries?
- e) Domestic political implications. How strong is the sentiment on the Hill regarding this highly dispersed industry?

As followup to this meeting, we will in any event likely need to do further work on the specifics of a new adjustment program if we wish to announce such an initiative by April 8.

Attachments:

As stated.

CONFIDENTIAL-

(2)

THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL

March 26, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

Your Monday EPG Meeting on Shoes

Because Cy Vance will not be here to attend your shoe meeting -which will discuss what is probably the single most important issue
in the international economic area that you will have to confront
during the first year of your Presidency -- I want to note briefly a
number of foreign policy considerations which Cy and I share.

First, shoes represent a vital export of countries with whom our economic, political and security relationship is extremely important. These include Italy, Spain, Brazil, Korea, Taiwan and Mexico. Many of these countries face extremely difficult financial situations, which they rely in part on their exports to remedy. Restricting their exports will further weaken their economies. It will also make them more difficult to deal with on any non-economic issues.

Second, the implications for the London Summit are very serious. Our imposing import restrictions will, as Prime Minister Callaghan pointed out to you, sour the atmosphere in which the Summit takes place. Further, it will put unbearable pressure on governments too weak to resist protectionist pressures, forcing them to follow our lead and impose restrictions of their own. You will therefore likely go to London in a climate of significantly rising protectionism, shifting the emphasis of the Summit from solidarity, and cooperative efforts to achieve economic stimulus, to bitter recriminations in the trade area.

Third, developing countries seeking to increase exports will bitterly resent this action. The result could well be a deterioration in the North-South dialogue and an undermining of the very constructive start you have made in strengthening U.S. relations with the developing world.

While I am told that you will probably not make a decision at this meeting, and know you will also have a range of domestic considerations to factor in, I thought these points worth your attention.

CONFIDENTIAL

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NARS. DATE 9447

March 28, 1977

Bert Lance

The attached allocation for the Office of Drug Abuse Policy has been signed by the President.

The original has been given to Bob Linder for appropriate handling.

Rick Hutcheson

. cc: Peter Bourne



FYI	ACTION
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EIZENSTAT	BOURNE
JORDAN	BRZEZINSKI
LIPSHUTZ	BUTLER
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EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

March 25, 1977

MEMORANDUM FOR THE PRESIDENT

FROM

: Bert Lance, Director

SUBJECT: Allocation to the Office of Drug Abuse Policy

Attached for your consideration is an allocation in the amount of \$44,000 from the appropriation "Unanticipated Needs" to the Office of Drug Abuse Policy. This allocation is necessary to cover the initial operating costs of the Office and will be reimbursed when the Office receives its appropriation.

RECOMMENDATION

It is recommended that you sign the attached allocation of funds.

Attachment

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE HONORABLE PETER G. BOURNE Director, Office of Drug Abuse Policy

SUBJECT: Allocation for the Office of Drug Abuse Policy

Pursuant to the authority in the Treasury, Postal Service, and General Government Appropriation Act, 1977 (90 Stat. 968), I hereby allocate from the appropriation "Unanticipated Needs":

TO

AMOUNT

Office of Drug Abuse Policy

\$44,000

for necessary expenses for initial operation of the Office of Drug Abuse Policy established by Public Law No. 94-237 dated March 19, 1976.

The funds allocated shall be reimbursed to the "Unanticipated Needs" appropriation by the Office.

I hereby determine that this allocation is to meet unanticipated needs for an emergency affecting the national interest.

Timmy Carter

4

MEETING WITH PÉLÉ, BRAZILIAN SOCCER STAR Monday, March 28, 1977 1:55 p.m. (5-10 minutes) Oval Office

From: Bunny Mitchell

I. PURPOSE

- To greet and congratulate Pelé on his phenomenal 22-year career as a professional soccer player.
- (2) To express appreciation for his efforts to develop interest in soccer in the U.S.

II. BACKGROUND, PARTICIPANTS, PRESS PLAN

A. Background: Pélé is a native Brazilian. Origin of nickname unknown, even to him. He began playing professional soccer at age 16. Only player in the world to have been in 3 World Cup Championships. In 1960, the Brazilian Government declared Pélé a national asset. Since 1975 he has played with the New York Cosmos team and promoted soccer throughout the U.S. This is his last season as a player; he'll return to Brazil to coach national team. He's composed and recorded many hit songs in Brazil. Wife, Rosa; 2 children: Son, Edson ("Edinho") - 7 and Daughter, Kelly - 10. Pele is in Washington to promote the opening of the D.C. Diplomats' Soccer season at RFK Stadium on April 3. He understands English, but always has interpreter -- to assist or retard direct communication.

B. Participants:

The President Pélé (Edson Arantes do Nascimento) Professor Julio Mazzei (interpreter/personal trainer) Bunny Mitchell

C. Press Plan: Photo coverage of meeting/exchange of autographed soccer balls.

III. TALKING POINTS

Greetings in Spanish.

Par hyuese ?

- (1) Thanks for sharing your talents with the American people; they love you (always sellout crowds at Cosmos games); we've developed a keen interest in soccer during the 2 years you've been playing in the U.S.
- (2) Glad to welcome you back to the White House. (He met with Nixon (1974) and Ford (1975)).
- (3) Best wishes as you end an outstanding playing career.

March 28, 1977

Bob Linder -

The attached Executive Order has been signed and is forwarded to you for appropriate handling.

Rick Hutcheson

National Commisssion on the Observance of International Women's Year 1975 -- Amended Executive Order





Mr. President:

RE: Executive Order on International Women's Year

Through a clerical error, the Order you signed gave the International Women's Year Commission 45 members. The correct number, as explained in Midge's memo to you, is 42 members. (Midge's memo is attached.)

The attached Order corrects this the error.

Be sure
Is make

Electrostatic Copy Made for Preservation Purposes

EXECUTIVE ORDER

NATIONAL COMMISSION ON THE OBSERVANCE OF INTERNATIONAL WOMEN'S YEAR, 1975

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, Section 1(b) of Executive Order No. 11832, as amended, is further amended by substituting "42 members to be appointed" for "45 members to be appointed".

Timuy Carter

THE WHITE HOUSE,

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WASHINGTON

TO:

THE PRESIDENT

FROM:

MARGARET COSTANZA WC

DATE:

March 25, 1977

RE:

IWY COMMISSION

It is my understanding that you have postponed final approval of the list of names I provided you on Tuesday, March 16, for possible appointment to the IWY Commission. I am told you have reservations regarding the expansion of Commission membership from 35 to 42 and the possibility that the increase would result in added expense to the public.

As you know, the Commission was established by an Act of Congress with a budget of \$5 million. By law, The Commission cannot use public funds over and above that budget for any reason, expansion by Executive Order or otherwise. Furthermore, the political realities of the issue prevent any possibility of an increased appropriation by Congress—as the original Bill squeaked through by only one vote.

Any expenses incurred over the \$5 million budget for travel or other expenses must, by law, be paid for with donations from private sources.

An increase in the Commission's membership cannot, therefore, result in an increase in public expenditures.

I have recommended to you that the membership be increased in order to accomplish the following goals:

- (a) Representation from the broadest social and economic spectrum, requiring a revamping of the Commission to include women from varying ethnic/racial backgrounds and interest group/professional/political affiliations. An effort was made to accommodate former campaign staff.
- (b) Continuity, requiring a certain number of reappoint-

My original memo to you (copy attached) recommended a membership increase from 35 to 40, which you accepted. Since

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J

THE WHITE HOUSE

WASHINGTON

March 25, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

BUNNY MITCHELL

SUBJECT:

Executive Branch Participation on Task Force on District of

Columbia

During your meeting with Congressmen concerning District of Columbia issues you suggested the creation of a Task Force, composed of Congressmen, D.C. government officials and Executive Branch officials, to develop a comprehensive plan for action on problems of Federal - District relations. Congressman Diggs has begun planning for the Task Force's initial meeting. Coordinating Executive Branch participation will be myself, a member of the Vice President's staff, and one person from OMB, the Domestic Policy staff and the Congressional Relations staff.

It would be significant and beneficial if, at the next Cabinet meeting, you would request that each Secretary designate a high level official to serve as his/her Department's liason person to the Task Force (HUD and Interior have volunteered officials already). Also, I would like your approval to urge non-Cabinet agency heads to appoint a high level official to participate in Task Force deliberations on matters related to their agencies.

Approve	Disapprove	4	
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March 28, 1977

Z. Brzezinski Stu Eizenstat

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

Re: Vias for Communist "Trade Union" Officials

cc: Landon Butler

THE FRESTORAT HAS CERM.

Visas For Communist "Trade Union" Officials __AFL-CIO VIEWS

" Bis"

The Amended Immigration and Nationality Act of 1952 (alternately called the McCarran-Walter Act of 1952), in its section 212, clause 28 (c) makes ineligible to receive visas and therefore excludes from admission to the United States, "aliens who are members of the Communist or totalitarian party of any foreign state or section, subsidiary branch, affiliate, subdivision of any such association or party or the direct predecessors or successors of any such organization or party, regardless of what name such group or organization may have used, many now bear or many hereafter adopt...."

The Secretary of State of the United States holds discretionary power waiver rights over such visa restrictions as specified in the INA, as cited above.

The Cultural Exchange Program of the United States Department of State, which dates from the Agreement Between the United States of America and the Union of Soviet Socialist Republics for Cooperation in Exchanges in the Scientific, Technical, Educational and Cultural Fields, signed on November 24, 1969, excludes labor from its sectoral activities. While there is no document that excludes labor, there is a specific understanding that worker organizations be left out of exchanges that embrace scientific, educational, cultural and athletic organizations and institutions. Resolutions of the AFL-CIO Executive Council and Conventions have historically opposed exchanges with Communist or totalitarian labor-front organizations, at the same time stressing the need for the U.S. Government to pursue exchanges in appropriate cultural and scientific spheres in the interest of world peace.

Electrostatic Copy Made for Preservation Purposes At the Founding Convention of the AFL-CIO in December, 1955, a resolution was passed that reads as follows:

"The AFL-CIO rejects, as a matter of principle, the idea of free labor sending labor delegations to any country which prohibits free trade unions, outlaws all free trade union activities and penalizes workers for advocating free trade unionism — whether such countries be Communist or Fascist or any other totalitarian hue....Moscow wants free trade union delegation visits to lend moral respectability and legitimacy to its regime which has robbed its people of every fundamental right, keeps millions of its subjects in slave labor camps and denies the workers the right of freedom of association and organization, the right of genuine collective bargaining and the right to strike."

In his speech to the United Nations in New York, President Carter made reference to "Basket Three" of the Helsinki Conference on Security and Cooperation in Europe, signed on August 1, 1975, which refers to Cooperation in Humanitarian and Other Fields. It is this section of the Helsinki Agreement to which the USSR spokesmen have referred in their offensive against Carter's human rights statements, in which they suggest that the U.S. specifically violates the section of Basket Three that calls on ratifying states to "Make it their aim to facilitate freer movement and contacts, individually and collectively, whether privately or officially, among persons, institutions and organizations of the participating States, and to contribute to the solution of the humanitarian problems that arise in that connection...."

The view of authorities of the USSR toward labor exchange programs is not one of pressing for the evolution of dialogue or pursuit of common objectives. Rather, labor contacts are to the Soviets an element in the ongoing political and ideological struggle. Further, there is no evidence to support the argument that such labor exchanges have a beneficial effect

in totalitarian States. Communist labor movements and officials are under direct control of the central party apparatus and serve as tools of control of the workforce, not as representatives of the legitimate interests and aspirations of those such organizations have been appointed to serve.

A reversal of this policy of no exchanges between the U.S. and labor front organizations of Communist and other totalitarian States would signal that the U.S. suddenly accepts such non-representative organs of centralized control as bonafide labor unions. Access to the U.S. by the appointed representatives of these labor fronts would simply assist the Soviets and other totalitarian governments in their efforts to make their own labor control organs legitimate, thus furthering the political objectives of those closed societies.

March 28, 1977

Stu Eizenstat

The attached was returned in the President's outbox. It is forwarded to you for appropriate. handling.

Rick Hutcheson

cc: Jack Watson

Re: Administration Testimony to Date on Airline Reform

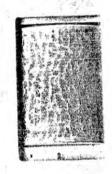
March 28, 1977

Jack Watson

The attached is forwarded to you for your information.

Rick Hutcheson

Re: Administration Testimony to Date on Airline Reform.



THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 25, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

SUBJECT:

Administration Testimony to Date

on Airline Reform

Prepared at Your Request

This memo responds to your request for a summary of positions taken in the Administration's testimony on airline reform.

Charlie Schultze, Mike Blumenthal, and Bob Crandall (COWPS) testified this week, and Brock Adams and Don Baker (Justice Department) are scheduled to testify April 1.

Our witnesses have made the following major points.

Pricing Flexibility

- Carriers should have the ability to raise and lower fares within a specified "no-suspend" zone.
- 2. The possibility that fare flexibility will generate predatory or monopoly pricing is generally unfounded and is made very remote by provisions in the legislation. Downward fare flexibility should be phased in, so that after a brief period (2-3 years), only such limits will exist as are necessary to prevent predatory pricing. Whether Congress accepts a direct cost floor or a floor of direct costs plus a modest markup, a precise definition of a cost floor should be contained in the legislation. For many reasons, a fully allocated cost floor is undesirable.
- 3. If discretionary entry is phased in more gradually, upward fare flexibility should be correspondingly limited.
- 4. It would be difficult to limit upward pricing flexibility on "monopoly routes" without restricting upward pricing flexibility to an undesirable degree. Liberalized entry should be sufficient to police the fares.

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Entry

- 1. There is no foundation for the argument that "chaos" will result from reform.
- The legislation should include:
 - (a) A pro-competitive policy statement
 - (b) Strict time deadlines
 - (c) A provision to reverse the burden of proof in entry applications
 - (d) A provision authorizing the transfer of unused authority to carriers who would use it.
- 3. Revenue diversion should not in and of itself be grounds for concluding that entry is not in the public interest.
- 4. Closed door restrictions should be abolished, and the Board should be prevented from imposing them in the future. Other restrictions should be removed on an expedited basis, and the Board should be permitted to retain them only if a clear and convincing case can be made that they are necessary to protect the public interest.
- 5. Legislation should include provision for discretionary authority to police upward pricing flexibility. A phasing in of the discretionary entry feature is desirable, provided the introduction of upward pricing flexibility is correspondingly phased in.

A specific formula was not suggested, but the following guidelines were recommended: "1) the amount of entry must be sufficient to constitute a meaningful threat. 2) It should permit entry where the most lucrative entry opportunities are likely to lie. 3) Ultimately it should not discriminate against any air carrier or any class of air carrier." (CEA)

6. The Administration believes that compromises may be necessary, but in terms of phasing in the various provisions, not in retaining the provisions themselves.

Exit

1. Market exit should be made more flexible. Carriers should only be required to serve unprofitable markets on a temporary basis while the Board seeks replacement service.

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Small Community Service

- 1. We believe that there will be no wholesale abandonment or disruption of service as a result of regulatory reform.
- 2. Claims that many city-pair markets would be abandoned and small communities would be left without service have the been shown to be totally without foundation.

the juice

3. The Administration supports a reform of the Federal subsidy program to guarantee air service to small communities which cannot otherwise support air service.

Cost

4. Participating air carriers should be required to meet appropriate federal safety standards and to demonstrate financial responsibility. We prefer bonding rather than formal carrier certification.

Labor Protection

- 1. "The Administration is not persuaded that airline regulation reform will harm the legitimate interests of labor. However, if a case for protection can be made, we are prepared to work together with the Congress in determining what remedies might be appropriate." (CEA)
- 2. The Federal Government has a valid concern only if the transitional effects resulting from reform are substantial.
- 3. "The Administration will not support any proposal that would provide workers with absolute protection from the normal ups and downs of business activity without a less regulated airline industry." (CEA)

Airline Finances

The result of regulation has been an industry where many of the major participants are financially weak.

Presidential Review of Foreign Route Decisions

Secretary Adams will testify on April 1, opposing repeal of Presidential review authority.

ok

Electrostatic Copy Made for Preservation Purposes

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE WASHINGTON

March 25, 1977

MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson Kick

RE:

Proposed Agenda for the Cabinet Meeting, Monday, March 28, 1977

- 1. Explanation of the proposed task force on the District of Columbia (per attached note from Bunny Mitchell).
- Importance of the drought legislative package. 2.
- 3. Discussion of the use of consultants. (Cabinet members were requested to take an inventory at the March 14 meeting.)
- 4. Reports from Cabinet members.

cc: The Vice President

March 28, 1977

Bunny Mitchell -

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: The Vice President Tim Kraft Jack Watson

Re: Executive Branch Participation on Task Force on District of Columbia

ACTION	FYI	
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should go to Bert
Carp within 48
hours; due from
Carp to Staff
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CAB DECISION

EXECUTIVE ORDER

Staffing comments
should go to Doug
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Huron to Staff	WELLS VOORDE

March 28, 1977

Bob Lipshutz

As requested, the President signed the attached form required by the Federal Election Commission.

The original signed form is returned to you for appropriate handling.

Rick Hutcheson

THE WHITE HOUSE

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-	LIFOR STAFFING
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	LOG IN/TO PRESIDENT TODAY
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CAB DECISION

EXECUTIVE ORDER

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THE WHITE HOUSE

WASHINGTON

March 24, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

ROBERT LIPSHUTZ

The Federal Election Commission is completing its audit of the general election campaign account.

The Commission has requested that the attached form be signed by both you and me to complete the files.

At your convenience, please sign and have it returned to me.

Attachment



Leaders, for a change.

March 21, 1977

Federal Election Commission Disclosure Division 1325 K Street, N. W. Washington, D. C. 20463

Dear Sirs:

We are amending our Statement of Organization (FEC Form 1) and our Statement of Candidate (FEC Form 2) to include the following additional depositories used during the General Election:

BANK

Trust Company Bank
Fulton National Bank
Citizens & Southern National Bank
Citizens Trust Bank
First National Bank of Atlanta
Trust Company Bank
Maryland National Bank
Capital Bank
Mellon Bank
United Missouri Bank
Gateway National Bank
Amalgamated Trust and Savings
Girard Bank

CITY

Atlanta, Georgia
Baltimore, Maryland
Baton Rouge, Louisiana
Pittsburgh, Pennsylvania
Kansas City, Missouri
St. Louis, Missouri
Chicago, Illinois
Philadelphia, Pennsylvania

Jimmy Carrer, Candidate

Robert J. Lipshutz, Freasurer

1976 Democratic Presidential Campaign Committee, Inc.

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March 28, 1977

Stu Eizenstat Jim Fallows

The attached was returned in the President's outbox and is forwarded to you for appropriate handling.

The book has been sent to Jim Fallows.

Rick Hutcheson

Re: The United States & World
Development - Agenda 1977
& Notre Dame Speech

3-28

Joseph Working on a Make Make Dame spend outline for May - use "Human Rights" in 14 broadest sense. This ode report 15 good basis for ideas.

THE FRESIDENT HAS SEEN.

March 18, 1977

C

The Honorable Jimmy Carter President of the United States The White House Washington, D.C.

Dear Mr. President:

Congratulations on your speech at the United Nations yesterday. Vigorous leadership is needed in pressing forward on both aspects of human rights--economic and social--as well as civil and political rights.

Today the Overseas Development Council, of which I am Chairman, is releasing The United States and World Development: Agenda 1977, the fifth in our annual assessments of the relationship between the United States and the developing world. I believe you and your staff will find it most relevant as the United States formulates, in the words of your U.N. address, "proposals aimed at meeting the basic human needs of the developing world and helping them to increase their productive capacity."

On the page facing my Introduction, Agenda 1977 opens with your eloquent "Statement to the World" broadcast on Inauguration Day. In it you called upon the citizens of the world to join us in a "common effort" to move "the reality of the world closer to the ideals of human freedom and dignity."

Agenda 1977 describes the shape this common effort might take. Chapter II, in the form of a "Letter to President Carter," explains the major options that we see open to you on North-South relations. Chapter III discusses our recommendations on specific issues such as human rights, development assistance, and trade. The Introduction, which I especially hope you will read, is, in effect, a summary of the major points in the back.

The Agenda explains why we believe you have come to the leadership of the United States at one of those moments in history when circumstances combine to make change possible on a scale previously unthinkable. A

The Honorable Jimmy Carter March 18, 1977 Page Two

key issue is whether your Administration, in dealing with the developing countries, will support an invigorated development strategy aimed at eliminating the worst aspects of absolute poverty in the world before the end of this century. I think the conquest of poverty in our times is not an impossible dream. In fact, it becomes possible at a minute fraction of the cost of the current arms race, which you so sharply condemned in your U.N. statement; without major progress in meeting basic human needs, civil and political rights will not long endure in the poorest countries. Even today the Fourth World has a per capita income no more than half that of the United States in 1776. This book outlines both the essential elements of such a strategy and includes a new measure of human progress, a Physical Quality of Life Index, which can be used in conjunction with the traditional per capita GNP indicator to assess each country's progress in terms of human well being.

I am convinced you have an unusual opportunity to undertake this basic human needs strategy, an effort which could be an essential complement to your now established leadership in support of basic political rights and which could be an historic step forward for all people. I hope you will find Agenda 1977 useful in providing the leadership the world so urgently needs.

Devotedly yours,

(Rev.) Theodore M. Hesburgh,

Chairman of the Board

Enclosure Agenda 1977

The United States and World Development

This summary is a condensation of the Overseas Development. Council's fifth annual assessment of U.S. relations with the developing world. The full text of Agenda 1977, published by Praeger Publishers, includes:

An introduction by Theodore M. Hesburgh, Chairman of the Board of Directors of ODC, and James P. Grant, President of the Council.

The United States and World Development, 1977," by ODC Vice President John W. Sewell, director of this year's Agenda project, providing the context and the background for the major policy questions facing the new Administration.

Major U.S. Options on North-South Relations: A Letter to Bresident Carter," by Roger D. Hansen, ODC Senior Fellow, outlining and analyzing three policy options for the Carter Administration: present policies with marginal changes, accelerated international reform, and support at basic needs approach to development.

Recommendations for U.S.

Fully Agenda 1977, by the ODC staff, suggesting specific U.S.

polities on more than a dozen issues ranging from food security and human rights to arms transfers and the debt of the developing countries.

Annaxes by Florizelle B. Liser: the global poverty-affluence spectrum; food, energy, and raw materials; world trade; world military expenditures; and resource flows.

Copies of The United States and World Development: Agenda 1977 are available at \$4.95 each from the Overseas Development Council, 1717 Massachusetts Avenue, N.W., Washington, D.C. 2003. A hard ackedition is available from Praeger Publishers, Inc., New York.

Agenda 1977

"The industrial democracies should resist the temptation to see the current North-South dialogue as a situation in which losses are inevitable and negotiations are primarily designed to gain time or preserve the status quo. Rather, they should treat it as an extraordinary opportunity for initiating, in the words of President Carter, "a common effort"—which, by the end of this century, could create a world that not only better serves the already advantaged, but also is free of the worst aspects of absolute poverty and repression."

Theodore M. Hesburgh and James P. Grant Introduction, Agenda 1977

An open moment in history

The leadership of the United States passes to President Carter at one of those moments in history when circumstances combine to make change possible on a scale that was previously unthinkable. Developed and developing countries alike are recognizing the need for fresh approaches to solve the global problems that face them all—from food scarcity and energy shortages to nuclear proliferation and the plight of the nearly one billion people in the world living in abject poverty. The United States, under a President who bears no burden of prior identification with past disputes, has a unique opportunity to stimulate cooperation on global problems that no one nation can re-

solve alone. The question is, will the opportunity be seized.

In an unprecedented Inauguration Day statement to the "citizens of the world," President Carter pledged his Administration to "be more responsive to human aspirations" and to take the lead in the effort to guarantee freedom not only from political repression but from poverty and hunger as well. He called on other nations to join with the U.S. in "a common effort" to pursue these goals. What can the U.S. do now to signal its willingness to respond constructively to global problems? What shape hight this "common effor." take? Agenda 1977 analyzes and discusses these questions.

A rapidly changing world setting

The international order created after the Second World War has shown itself to be inadequate to changing patterns of economic growth and the increasing interdependence of nations. Both the developed countries of the North and the developing countries of the South agree on the need for a major overhaul of existing economic and political systems. This process of renegotiating the world order is already under way in a variety of forums, where a changing political climate is evidenced by the demands of the developing nations for a greater role in global decision-making. The U.S. has recog-

nized that no one nation dominates the international scene and that it needs to treat its relations with the developing countries as a mainstream element of its foreign policy. It is also clear that the importance of U.S. economic relations with the developing countries continues to grow. The U.S. sells more of its goods to the developing countries than to the European Communities, Eastern Europe, and the Soviet Union combined (see "U.S. Trading Partners" chart, page 3), while developing countries provide it with both critical raw materials and lowcost consumer goods.

A new focus on basic needs

The developing countries as a group were well on their way to exceeding the 6 per cent annual growth target set for the 1970s when they were hit in 1974 with sudden and massive increases in the cost of essential imports such as oil fertilizer, and food, and subsequently by a global economic slump. The stronger of these countries pulled through at the cost of reduced imports, diminished foreign exchange reserves, and a soaring national debt. The weaker required infusions of emergency aid and lost their chances for any significant development progress for the rest of the decade.

This dramatic change in development prospects hastened a rethinking of development strategies that

was already under way. In the previous two decades, the developing countries experienced steady growth, some at rates unparalleled even in Western economic history. Despite this past record, the gap between rich and poor continues to widen today, both between countries and within them. If the per capita income of the world's forty poorest countries (population 1.2 billion people) were to grow at the rate of 3 per cent annually from now until the end of the century—which is highly optimistic—it would only then begin to approximate that of Britain and the U.S. in 1776. The old development strategies raised the gross national product of these countries, yet left almost a billion people living

in chronic poverty.

A growing number of experts are coming to the conclusion that only major policy changes can bring about a change in the fortunes of the poorest fourth of humanity. The new strategies being proposed emphasize equity and the need to meet the basic human needs of the poor. Unlike the strategies of the previous twenty-five years, they assume that economic growth and greater equity in the distribution of its benefits are complementary, not contradictory. It is now thought that the right combination of domestic policies and reforms of international economic systems could overcome the worst aspects of chronic poverty by the end of this century.

Options for President Carter

It is essential that an overall policy for dealing with the developing world be established by the new Administration from the start. Already scheduled North-South negotiations must be prepared for almost immediately. In the first half of 1977, President Carter will make decisions on commodity agreements, trade negotiations, debt management, and arms sales to developing countries; he will have to coordinate strategy with the major Western trade partners of the U.S. in the OECD for important talks at the Paris-based Conference on International Economic Cooperation (CIEC) as well as at the U.N. If these problems are dealt with on an issue by issue basis, what seem like logical policy decisions now may prove in the long run to be mutually inconsistent and in some cases detrimental to U.S. relations with the developing world.

Several differing perspectives and options on North-South relations are examined in detail in Agenda 1977, illuminating the complexity of the development policy choices before the Carter Administration. In brief, the United States can attempt to defuse confrontations with the Third World by making only the minimum changes necessary—step

by step. Or it can actively explore and adopt new policies to speed change in directions beneficial to developed as well as developing countries. Or, in varying combinations with the first two options, it can support a basic human needs strategy aimed at eliminating the worst aspects of absolute poverty worldwide by the year 2000.

If the Carter Administration selected the first option, it might adjust present policies slightly, implementing them more effectively than the U.S. has in the past. It could, for example, make available some increased support in areas such as development assistance and trade preferences, or act on recently proposed measures such as the "development security facility" to stabilize export earnings put forward by former Secretary Kissinger in 1975. The prime objective of this approach would be to reduce the potential for confrontation between North and South, although the U.S. would presumably continue to emphasize bilateral relations with some of the stronger developing nations, such as Brazil, Saudi Arabia, and Iran.

The second option would take President Carter beyond the marginal change of the first and into a

commitment to a broader and more significant range of reforms. The proposals that make up the "New International Economic called for by developing countries at the 1974 and 1975 special sessions of the U.N. General Assembly would be carefully examined, and those judged beneficial to the international economy as a whole would form the nucleus of the U.S. negotiating position. But the U.S. would go beyond these, in some cases supporting proposals which would spur development in the South at some cost to the North-a cost which would be justified on grounds of prudent statesmanship or moral responsibility.

Option three would aim more directly at meeting the basic human needs of the world's poorest billion people. U.S. policy here would be to try to overcome the worst aspects of this poverty and to attain specified minimum standards of nutrition, health services, and basic education by the end of the century.

The three "options" clearly are not watertight alternatives; elements of the basic needs approach presented as option three could be incorporated into either of the first two options.

Recommendations for U.S. policy

Agenda 1977 suggests an approach that would lay the basis for action on options two and three—the accelerated reform and basic needs strategies—but would start with the swift implementation of option one "marginal" changes that are not inconsistent with the two more ambitious options. This alternative would call for early and simultaneous action to 1) begin some far-ranging reforms of existing international economic institutions and practices, and 2) substantially increase support for programs to provide adequate food, nutrition, health care, and education for the world's poorest people.

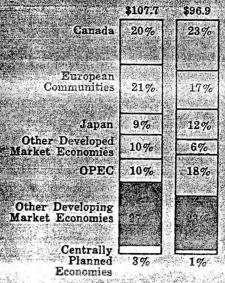
TRADE IN MANUFACTURES

After much preparatory work, developed and developing countries are this year beginning serious multilateral trade negotiations. For developing countries, which derive nearly 40 per cent of their non-oil export earnings from manufactured exports, the outcome is critical.

The developing countries' manufactured exports grew an average of 25 per cent annually from 1965-1973, boosted in the 1970s by tariff preferences which allowed certain of their exports duty-free entry into the markets of the developed countries. This has resulted in lower prices of these goods for the consumers in the developed countries but has also significantly hurt some

U.S. TRADING PARTNERS, 1975

U.S. U.S. Exports Imports (\$ billion)
\$107.7 \$96.9



workers and firms. Consequently, important segments of the developed countries' labor movement and industrial sector, particularly in the U.S., oppose trade liberalization.

The potential gains for both developed and developing countries from trade liberalization are great. If all barriers to importing their manufactured goods were eliminated, the developing countries could increase their earnings by as much as \$24 billion; and these increased earnings would largely be spent on goods from industrialized countries

The U.S. should therefore: 1) press vigorously under existing legislation for the largest possible average tariff reductions; 2) continue to improve the U.S. Generalized System of Preferences (GSP); 3) refrain (with other industrial countries) from raising existing trade barriers, even as a corrective measure in balance-of-payments crises; 4) improve programs to assist domestic groups in adjusting to changes in international trade.

COMMODITY ISSUES

Developing countries' export earnings from raw materials other than oil still account for more than half of their non-oil export revenues. Commodity policies therefore are an important part of their strategy for a New International Economic Order. Intensive negotiations on commodity agreements will be taking place this year and next in the U.N. Conference on Trade and Development (UNCTAD). Though both developed and developing countries would benefit from commodity agreements that stabilize prices, the two groups have differing concerns on this question. Developing countries

prefer an "integrated approach" that would include a common fund to support buffer stock operations for a variety of commodities. The U.S. thus far has opposed the idea of a common fund, but has supported expanded efforts to compensate the developing countries for shortfalls in export earnings.

The U.S. should: 1) make an unequivocal commitment to participate in negotiations on a common fund for buffer stocks and on individual commodity agreements, without committing itself to either until negotiations are completed; 2) continue support for existing compensatory financing plans; 3) assess and help develop the potential for increased processing of raw materials within developing countries.

ENERGY

Until recently the U.S. has taken a narrow, parochial approach to the energy problem, focusing its diplomatic efforts on lowering oil prices and on the chimera of energy "independence." But solutions to the world energy problem must take into account the energy needs of both the developed and the developing world if they are going to serve either.

A global approach to energy would involve helping energy-poor developing countries pay for their energy imports, assisting them in developing untapped energy resources, emphasizing a nuclear energy policy stressing safety, and leading a world-wide research and development effort on renewable energy sources.

The long-run needs of the U.S., other industrialized countries, and the Third World probably will be better served by helping the developing countries to become less dependent on imported oil and developing more secure energy sources. With U.S. and other outside assistance, many Third World countries could avoid growing dependence on fossil fuels by moving now to concentrate on developing their ample renewable energy resources.

The U.S. should: 1) develop a coherent national energy policy that recognizes the energy crisis to be a global problem that needs a global approach; 2) support creation of a World Energy Council to collect global energy data and conduct global energy analyses; 3) drastically increase federal research and development expenditures on renewable sources of energy—including small-scale sources; 4) take the lead in convening a world conference on alternative energy sources.

ARMS TRANSFERS

Arms aid and sales have been a major component of U.S. economic transactions with the developing countries in the past twenty-five years. The United States provided 45 per cent of the military equipment delivered worldwide in 1974, far exceeding such transfers from the Soviet Union and other European countries. Moreover, Third World sales orders have risen eightfold since 1970; and are likely to remain high.

Congress has in recent years tried to rein in U.S. arms transfer policies, but the Executive Branch has resisted. Proponents claim that the sales contribute directly to American security by fostering regional stability and increasing U.S. influence, and aid the domestic economy. Opponents argue that arms transfers often produce regional instability, raise the risk of U.S. involvement in local conflicts, hinder Third World development, and help repressive regimes.

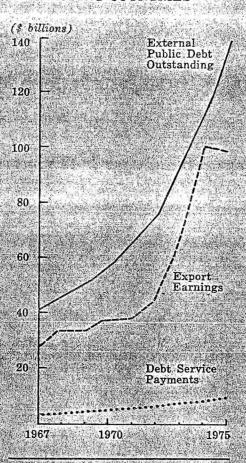
The new Administration has predged to reduce arms transfers, but the U.S. needs a new, comprehensive policy in this area.

The U.S. should: 1) review U.S. arms transfer policy with the aim of reducing transfers substantially in the next five years; 2) take the lead in consulting with other major arms exporters on ways to reduce supplies, and with developing countries on ways to reduce demand.

DEBT

The growing debt of the developing countries is an issue that belongs high on any international economic agenda. Since 1972, the debt of the non-OPEC developing countries grew 80 per cent, reaching \$165 billion by the end of 1975. Private banks have

DEBT OF THE NON-OPEC DEVELOPING COUNTRIES



become an important source of credit for some of these countries. However, the "world debt problem" is actually a series of problems faced by individual countries (both developed and developing). Debt per se is not dangerous. The danger comes when the debt burden grows so heavy that badly needed development efforts have to take a back seat to repayment. Moreover, the debt problems of the middle-income and low-income developing countries differ greatly. The former still have good long-range growth prospects; the outlook for the latter is bleak unless special measures are taken.

Debt relief efforts should aim to preserve the international credit system, strike a sensible compromise between the Third World's across-the-board debt relief demands and the reluctance of the creditor countries to agree to such solutions, establish international credit guidelines, and recognize that the ultimate solution to middle-income developing country debt lies in reforming

world trade and commodity systems.

The U.S. should: 1) urge immediate international review of the debt problems of all low-income countries with the primary aim of revitalizing their development and not merely of maintaining debt service; 2) express willingness to consider official debt relief for any middle-income countries whose debt problems hamper their development programs; 3) recognize that the long-term interest of all sides is served if private banks continue to lend to the developing countries.

OCEANS ISSUES

The law of the sea talks encompass many of the issues and proposals involved with restructuring the international economic system. Questions which arise at these negotiations are bound to come up at future talks dealing with the common use of international resources.

The stalemate reached at the latest session of the U.N. Law of the Sea Conference produced considerable pessimism among participants and observers concerning the chances for a comprehensive oceans treaty. But overlooked were the achievements which have been reached since 1974; these include agreements on 12-mile territorial seas, 200-mile economic zones and unimpeded passage through international straits, an interim agreement on the environment, and a consensus on internationally supervising the exploitation of the resources of the deep ocean.

The talks have split not only developed and developing nations, but also landlocked and coastal states. The landlocked worry about being denied their share of the oceans' wealth by the coastal states; the Third World fears that transnational corporations that are already able to mine the ocean floor will dominate deep-sea mining schemes.

Despite these differences, all nations stand to gain from a comprehensive oceans treaty. The U.S. should: 1) press for early agreement on a comprehensive law of the seatreaty; 2) search for a compromise on the international seabed authority that will guarantee some international control over mining while meeting the needs of private concerns already able to exploit ocean resources.

TECHNOLOGY TRANSFER

The economic successes of Japan, Taiwan, South Korea, and other nations demonstrate the importance of using technology to increase development progress. Other developing countries realize this but feel victimized by the monopoly they consider transnational corporations to hold on this know-how. In general, developing countries want easier access to new technology on more favorable terms and increased capacity to adapt and create technologies to suit their own needs and development goals. This will require intensified efforts in this field both within. and among developing countries themselves, but outside support both multilateral and bilateral—can be much more effective than it has

The U.S. can help by: 1) implementing the commitments concerning technology already made; 2) supporting efforts to develop codes of conduct for technology transfer and to revise international patent laws; 3) giving a high priority to the U.N. Conference on Science and Technology scheduled for 1979.

FOOD INSECURITY

Better weather substantially improved the 1976-77 crop outlook over the previous year, but mediumand long-term world food security is in fact as precarious as ever. The need for food has consistently outstripped food production during the 1970s. Given the rate of growth of the sereals deficit in the developing countries, bad weather in any major producing area could mean an even worse famine than the one experienced in 1972-73.

The World Food Conference of 1974 set three objectives for improving world food security: to establish a minimum level of food aid for the short term, to set up a grain reserve system for the medium term and, as the only long-term solution, to increase food production in the developing countries.

In 1977, Congress is due to reexamine most major U.S. food and agriculture legislation, from Food for Peace to food stamps. It is essential that a unified policy approach be taken to both the international and domestic aspects of the issue.

The U.S. should: 1) encourage increased food production and improved distribution in developing countries through an increased commitment to bilateral and multilateral development assistance programs; 2) resume negotiations aimed at establishing a world food reserve; 3) commit itself to guaranteeing an annual minimum of food aid on the basis of three-year advance commitments. In both food sales and grants, priority should be assigned to countries experiencing the greatest need.

BASIC HUMAN NEEDS

Of the nearly one billion people living in absolute poverty in the world, 750 million (nearly two thirds) are in the low-income countries, 170 million in middle-income countries, and 20 million in the richer countries. Fer capita income in the poorest countries averaged \$150 in 1973. These countries are pervasively poor in a way that was not true of today's rich countries in the early stages of their own development.

There is a growing consensus specialists that economic growth and a more equitable distribution of its benefits are compatible goals-that with political will and an emphasis on programs aimed directly at the poor, the minimum basic needs of the poorest billion could be met over the next twentyfive years. In its recent report to the Club of Rome, the "Tinbergen Group" called for the following global basic needs goals for the year 2000; life expectancy, 65 years or more (compared to the low-income countries' present average of 48); literacy rate, at least 75 per cent (compared to 33); and infant mortality, 50 or less per 1,000 births (compared to 125).

The goal of meeting the basic needs of this segment of the world's population could be met at an estimated cost of \$10-15 billion a year over present aid levels. The \$10 billion figure would be feasible a) if developed countries would reach or exceed an aid level of one half of 1 per cent of their gross national product; b) if some portion of aid now going to middle-income countries were redirected to low-income countries; and c) if the increases were earmarked for basic needs uses such as jobs, health, and nutrition.

The U.S. should: 1) significantly increase its financial support to basic needs programs in low-income countries; and 2) explore the extent and forms of cooperation among the industrial democracies and developing countries to attain basic needs goals in all developing countries over the next generation.

POPULATION

The world's population has grown rapidly in the past twenty-five years, mainly in the developing countries, because death rates have until recently declined faster than birth rates. Currently, overall population growth rates have begun to decline due to increases in economic and social well-being and greater availability of family planning services. To lower the birth rate as rapidly as possible toward a stable level much more focus is needed on alleviating negative factors that motivate large family size—on improving health care, nutrition, employment, education, and the status of women.

The U.S. should: 1) assess the impact of basic needs programs on decisions concerning family size; 2) greatly increase research efforts to develop more effective and acceptable methods of fertility control; 3) significantly increase support for expanding acceptable family planning programs in the developing countries.

HUMAN RIGHTS

The human rights issue is becoming highly sensitive as developed and developing countries continue to disagree vigorously on defining that term. The industrialized world stresses the political and civil liberties in the first half of the U.N. Universal Declaration of Human Rights, but the developing countries point to the wide-ranging economic and social rights in the Declaration's second half. The situation is complicated by the fact that many Third World governments are, in varying degrees, authoritarian.

Human rights recently has become a subject of contention in the U.S. between the Executive and Legislative branches of government, as the Congress has tied human political rights strings to foreign military and economic assistance legislation. But the legislators have also addressed themselves to economic and social rights, as when both houses passed "Right to Food" resolutions.

Cutting foreign aid to punish human political rights violators is a popular idea, but cutting development assistance in particular is usually a weak lever on repressive regimes. A more comprehensive and effective approach is needed. Moreover, U.S. aid efforts in recent years have concentrated on reaching the poorest people in recipient countries. Aid cuts are likely to punish them, not their rulers.

The U.S. should: 1) ensure that its development assistance funds go to projects which directly benefit the poor majority in Third World countries; 2) actively seek to establish international criteria for identifying "gross violations" of political human rights—preferably in cooperation with international organizations; 3) consider what range of policies will effectively promote both economic and political human rights.

DEVELOPMENT ASSISTANCE

Most of the poorest countries will need aid in one form or another for at least the balance of this century. The U.S. currently contributes less than 0.3 per cent of its gross national product to programs of "official development assistance"—bilateral grants and loans or contributions to multilateral institutions such as the World Bank or the U.N. Development Programme. Adjusted for inflation, the total amount of ES: development assistance has declined by nearly 50 per cent since 1963. If this country is to support efforts to alleviate the worst effects of absolute poverty, these programs require special attention in 1977. The bilateral legislation that was rewritten in 1973 to direct aid to the poorest people within the poorest countries requires reauthorization. and the U.S. is in arrears in its contributions to the World Bank's International Development Association (IDA), the regional development banks, and some U.N. agencies. The next replenishment of IDA also must be authorized in 1977.

The U.S. should: 1) commit itself to increasing levels of official development assistance to a level of 0.5 per cent of GNP by fiscal year 1981, with at least 75 per cent of these funds going to countries with per capita incomes of under \$300; 2) urge an early decision on the fifth replenishment of IDA at a level of \$8.1 billion for the OECD countries; 3) support prompt Congressional

action to increase the capital of the World Bank; 4) explore with both developed and developing countries ways to provide automatic sources of assistance for low-income countries; 5) complete a comprehensive review of U.S. development assistance by 1978.

ORGANIZING FOR INTERDEPENDENCE

The resumption of North-Southnegotiations in the immediate future will be complicated by the lack of effective institutions that encompass the broad range of discussions now going on between developed and developing countries.

Existing international structures are accused by some of being too unwieldy (the U.N. General Assembly) or too exclusive (the International Monetary Fund). Perhaps the best indication of the need for mechanisms more acceptable to all sides was the creation of the 27-nation GIEC in Paris, made up of a carefully balanced group of OECD,

OPEC, and other developing countries; yet CIEC had only a one year life span and will not be renewed unless all participants want to see it continued. In deciding on new and reformed institutions, it will be important to ensure that the interests of all major groups of nations are represented.

To deal effectively with the global issues outlined in Agenda 1977, including the new approaches needed to development cooperation, the Carter Administration also should reorganize and improve coordination among various branches of the U.S. government.

A quality of life index: the PQLI

The need for a quality of life index as a supplement to GNP figures has been recognized for some time—notably by the U.N. Secretary-General and by the recent "Tinbergen Group" report to the Club of Rome.

The Overseas Development Council has introduced a Physical Quality of Life Index (PQLI) that can be used

in conjunction with the per capita GNP indicator to assess each country's progress in terms of human well-being. The PQLI index—which is a rough but useful composite measure of life expectancy, infant mortality, and literacy—is described and shown for all countries in the Statistical Annexes of Agenda 1977.

DEVELOPMENT PERFORMANCE BY TWO STANDARDS Country Groups and Per Capita

Sample Countries	g_{NP}^{DR}	Index*
Lower-Income Countries (average) India Kerala, India Sri Lanka	(\$) 152 140 110 130	39 41 69 83
Lower Middle-Income Countries (average) Malaysia Korea, Rep. of Cuba	338 680 480 640	59 59 80 86
Upper Middle-Income Countries (average) Gabon Iran Algeria Taiwan (ROC)	1,091 1,960 1,250 710 810	67. 21 38. 42. 88
High-Income Countries (average) Kuwait United States Netherlands	4,361 11,770 6,670 5,250	95 76 96 99

^{*}Composite of life expectancy, infant mortality and literacy figures, each rated on an index of 1 to 100.

THE WHITE HOUSE WASHINGTON March 28, 1977

Midge Costanza -

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Max Cleland Robert Linder

RE: Presidential Memorial Certificate Program

ACTION	FYI	
		MONDALE
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		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
	F	OR STAFFING

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EZ MON	FOR STAFFING
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ACTION	FYI	
		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
	_	CLOUGH
		FALLOWS
		FIRST LADY
1	_	GAMMILL
4		HARDEN
1		HOYT
1		HUTCHESON
	A	JAGODA
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4		SIEGEL
+		SMITH
+		WELLS VOORDE

Mr. President:

OMB, Harden, H. Carter, Lipshutz and Eizenstat concur with Midge.

The program was instituted in 1962 and has been in effect continuously since then. Estimated costs are \$150,000 in FY77 and \$158,000 in FY78; average cost per certificate is 64¢.

The certificates are automatically sent out by the VA on notification that a veteran has died. The program was suspended on January 10 in order to print new certificates with your signature.

Stu comments: "The public relations cost of discontinuing the program would be substantial. The certificates are apparently highly valued by the next of kin. The savings from eliminating the program would be minor. We agree with the Costanza memo and recommend that you approve the use of your signature on the certificates."

THE FRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 11, 1977

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

MARGARET COSTANZA WC

SUBJECT:

Presidential Memorial Certificate Program

I. BACKGROUND

By statute, section 112, title 38, U. S. Code, at the request of the President, the Administrator (Veterans Administration) may conduct a program honoring the memory of deceased veterans.

President Ford stopped sending out these commendations under his signature on January 10, 1977. There are approximately 30,000 backlogged to date, with approximately 10,000 coming in per month.

II. OPTIONS

- a. Resume the Presidential Memorial Certificate Program;
- b. Discontinue the Program.

Possible negative reaction could result from families of deceased veterans who have served honorably in the Armed Forces.

III. RECOMMENDATION

That you approve Option a, which provides for resumption of the Presidential Memorial Certificate Program which honors the memory of deceased veterans, discharged under honorable conditions.

(The Honorable Max Cleland, Administrator, Veterans Administration, concurs)

	A Maria and a contract
Approve	Disapprove

TABS

2



The United States of America honors the memory of

JANE DOE

This certificate is awarded by a grateful nation in recognition of devoted and selfless consecration to the service of our country in the Armed Forces of the United States.

Gerald R. Ford Dresident of the United States

THE WHITE HOUSE WASHINGTON March 28, 1977

Jim Fallows

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Jody Powell

Re: "Sexism" in Language

FYI	1
MONDALE	
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LIPSHUTZ	
MOORE	
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WATSON	

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
-	LOG IN/TO PRESIDENT TODAY
-	IMMEDIATE TURNAROUND

ENROLLED BILL
AGENCY BILL
Staffing comments
should go to Bert
Carp within 48
hours; due from
Carp to Staff
Secretary next day.

CAB DECISION

EXECUTIVE ORDER

Staffing comments
should go to Doug
Huron within 48
hours; due from
Huron to Staff
Secretary next day.

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-		VOORDE

modely but have all there to able.

THE WHITE HOUSE WASHINGTON March 25, 1977

MEMORANDUM TO THE PRESIDENT - INFORMATION

FROM:

JIM FALLOWS

, 0-,

SUBJECT:

"Sexism" in Language

Bowing to overwhelming force, I've always gone along with your instruction to use "he or she" in your statements, even though I used to think that "he" did the job. The last two paragraphs of this column, from Wednesday's Wall Street Journal, explain why I still cringe when writing "he or she."

Enclosure

Sussest the Surger or plural form being or when the surger of t

Thinking Things Over

By VERMONT ROYSTER

Linguistic Sexism

Anyone in the writing business these days is in for trouble whenever the massculine pronoun "he" is used in referring to a person of indefinite sex. Or when the word "man" is used to apply to the species in general.

The trouble is especially acute when the writer is a male in a family of three females. He will not only hear from readers, he must also dodge the slings and arrows of outraged kin.

It's an ever present problem. You are writing a splendid philosophical discourse on liberty and the First Amendment and you remark that in this country "everyone is free to speak his own mind." Some female, near or far, immediately shows she too is free to speak her own mind by letting you have a piece of it.

So to keep out of trouble you try to remember to say, "Everyone is free to speak his or her own mind" which is all right for a sentence or two but gets awfully monotonous after you have said "he and she" a dozen times.

Or maybe you try to throw the pronoun into the plural to avoid discrimination in sexual semantics and write, "Everyone is free to speak their own mind." Grammar

aside, this is logically awkward and you are left with the problem of deciding whether to make the word "mind" plural also.

Things are just as bad with those three little letters m-a-n. If you are in a poetic mood and say something like "man is ever reaching toward the stars" you'll be told that you've ignored half the human race.

It won't help much either to say "Mankind is ever reaching for the stars" for there are those three little masculine letters again. I suppose you can say, "Persons are ever reaching for the stars" but somehow the poetic touch is lost.

The indictment, you see, is that maledominated society not only puts females in a special category with its laws and customs but also subtly puts them down with language. The demand is that we put an end to this linguistic sexism.

The indictment no doubt has merit. All a mere male can do is brood upon its causes, which explain if not excuse, and puzzle over what can be done about it. Not even the Supreme Court can mandamus the uses of language.

In the monumental "Story of Civilization," Will Durant remarks that marriage originated with the desire of the male to have cheap slaves, a situation the new feminists think unchanged. It was also, though, an advance in civilization—as slavery was over the practice of eating the conquered.

In primitive societies females are at a biological disadvantage, being muscularly weaker and physically hampered by child-bearing. So it was a gain for society to force the male into a protective role over both female and offspring. The price of this dominance was responsibility, a price even today some males find irksome, preferring to flee it and flit from blossom to blossom.

Few societies have made that responsibility as binding as Christendom. In ancient Greece and Rome, in Judaism, in Mohammedanism, it was relatively easy for a male to put away his wife. The rigid monogamy against which our times rebel began as a shield for the female against being casually cast into discard.

In any event, this dominance of the male did indeed reflect itself in laws, customs and language. Females had no voice (at least officially) in councils of state; in this country they could not vote until well into the 20th Century. The custom of deference to females, such as opening doors for them, bespoke the view of them as the "weaker sex." The bias of language began with the fact that whether called Zeus, Ra, Siva or Jehovah the great gods were thought of as He, the divine females as mothers, daughters or consorts.

Now our laws and customs are changing. This is due less to the generosity of males or the activism of women-libbers than to medicine and technology. By conquering puerperal fever and the problem of birth-control, medicine has relieved the female of her age-old burdens. By inventing such things as the fractional horsepower motor technology has made it possible for the female to drive locomotives, raise heavy weights with fork-lifts, or fly four-engine jets.

The effects of this new freedom ripple out in all directions, though so far mainly in America; in Asia, in Africa and even in Western Europe the status of women is still restricted both by law and custom. What it has not yet done is change our language.

In a perfect language there would be a singular pronoun of neutral gender, a vernacular word for the human species and descriptive titles that did not imply they were for one sex only, as do chairman or stewardess. Their absence is a deficiency of the language. The question is whether we can contrive a solution.

Some of the usual contrivances are argued for by Casey Miller and Kate Swift in a delightful book, "Words and Women." These include the use of "he and she" (or sometimes she and he), the shifting to the plural, the use of "person" in titles (chairperson) or even using the conventional masculine form when it doesn't include those three little letters m-a-n (actors for both male and female).

They do accept "human" and "woman" despite the last syllable, which is a relief. It would be clumsy to speak of the hu-person species and the lady at my house might not like to be called a wo-person.

But there's another solution which doesn't involve contrivances and accords more with the natural history of language. That is to let changing custom change the meaning of words. Originally "man" was generic (Latin, humanus). Usage can change it back so that we can say "madame chairman" without seeming contradiction and speak of "mankind" reaching toward the stars without regard to gender.

That will come when women become secure enough in their new position to lose their semantic sensitivity, which I hope they can do without losing their femininity. Meanwhile I also hope my readers, near and far, don't expect me to untangle ten thousand years of linguistic sexism in one brief essay.

March 28, 1977

Hamilton Jordan Frank Moore

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

Re: Senator Eastland & Irby Turner, Jr.

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	Secretary next day.	B. RAINWATER
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	EXECUTIVE ORDER	SCHULTZE
	Staffing comments	SIEGEL
	should go to Doug	SMITH
	Huron within 48	WELLS
	hours; due from	VOORDE
	Huron to Staff	,
	Secretary next day.	

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 26, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE HAMILTON JORDAN Senator James Eastland is very hurt that his candidate for the Corporation of Public Broadcasting, Irby Turner, Jr., was not appointed. He gave Frank a hand-written note and talked to him a number of times about it. He made it quite clear that the TVA appointment, the Agriculture appointment and nothing else meant as much to him and that this was his only personal request to you. He indicated that he voted for Warnke twice because you asked him, and it was certainly an unpopular thing to do in Mississippi.

In looking down the road at the Panama Canal Treaty, SALT agreements, and other things, Eastland, Stennis, McClellan, Randolph and Sparkman fall into a special category, and you are the only person who can persuade them to do things that their personal philosophy or constituency indicate they not do. No amount of direct mail, persuasion by other Senators, or constituency pressure can turn them once their minds are made upl but you can because of their great respect for your office.

Eastland has been--and will continue to be--very helpful to Griffin Bell in the merit selection of judges. The Judiciary Committee is now so evenly balanced, liberal and conservative, it takes an Eastland to bring along a few Strom Thurmond types on a liberal appointment or issue.

Our recommendation is for you to call Senator Eastland and tell him that other appointments for the Corporation of Public Broadcasting will come up in March of next year (specifically March 26, 1978--2 Democrats and one Republican vacancy), and you can personally assure him that Mr. Turner will receive the highest consideration at that time. Frank will also talk to him and give him a "promise" of the next appointment for Turner, but your call would be most effective. In addition, there are presently two vacancies on another

Board, the Communications Satellite Corporation (COMSAT), in which Irby Turner might be interested. During the conversation with Senator Eastland, if you decide to make it, you might want to mention the COMSAT Board and offer to appoint Turner to that. You have the power to appoint three members of the twelve who serve. COMSAT is the non-for-profit corporation established under an Act of Congress to operate satellite communications. Recommendations for filling the vacancies available will be coming to you shortly, but, in the meantime, this may be something you could offer Eastland for Turner which would "soothe" his (Eastland's) hurt feelings.

a contract.

IRBY TURNER, JR.

ATTORNEY AT LAW
204 HAYDEN STREET
BELZONI, MISSISSIPPI
39038

P. O. BOX 519

PHONE 247:235

December 17, 1976

Congressman David R. Bowen House Office Building Washington, D.C. 20510

Dear Congressman:

I appreciate so much your returning my call today, as well as the support you indicated you would give me in recommending me to President-Elect Carter for an appointment as a member of the Corporation for Public Broadcasting.

I served on the Mississippi Authority for Educational Television from December, 1970, until June 1, 1976, and from 1972 until 1976 was Chairman of that Board. I also served on a national board of lay Chairmen of public television licensees in 1972-1973; and then became a member of the Board of Governors of the Public Broadcasting Service when it was reorganized in March, 1973, and served on that board (as well as on the Executive Committee of PBS until February, 1976, when I resigned because the end of my term on the State board had arrived. Thus I have had experience in the area and am interested in it. I am enclosing a resume which contains this as well as other information you might desire.

As I told you Senator Eastland is going to submit my name to the President-Elect for this nomination, and I believe you indicated that you would have your staff coordinate your efforts with his office.

I do appreciate your help in this so very much, as well as the fi job you continue to do for the State in Washington.

Thanking you again and wishing you a very happy Christmas season, am

Irby Turner, Jr.

IT:br

RESUME

IRBY TURNER, JR.

BELZONI, MISSISSIPPI

Born May 7, 1932; B.A., Millsaps College; Washington Semester, American University; University of Mississippi Law School, LL.B.; U. S. Army, 1955-1957; Attorney at Law, general practice, (1957date); City Attorney, Belzoni, Mississippi, 1959-date; Trust Officer, Citizens Bank and Trust Company; Presbyterian (Deacon); Rotary Club (President 1970-1971); Mason (P.M.); Scottish Rite Mason; Delta Council (formerly both Vice President and Director); Chapter Chairman, Humphreys County, American Red Cross; Mississippi Bar Association; American Bar Association; Mississippi Economic Council (Former Director); Director, Belzoni Investment Company; Director, Belzoni Dil Works, Inc.; Director, Lower Yazoo River Basin District; formerly on Executive Board, Delta Area Council, Boy Scouts of America; elected to and served in Mississippi House of Representatives, 1960-1968 (member House Education Committee, 8 years; Ways and Means Committee, 8 years; Constitution Committee, 8 years on Committee, 4 as Chairman; Judiciary "A" Committee, 8 years: Joint Legislative Highway Planning Committee, 1960-1962). Member of Colonel's Staff, Governor John Bell Williams and Governor William L. Waller; married Claudice Hollingsworth; children: Pamela Ann, Irby III, Paul Bruce, and Richard Edward.

Served as Director, Mississippi Authority for Educational Television, 1970-1976 (Chairman of Board, 1972-1976); Member, Chairman's Co-Ordinating Committee (Public Television) 1972-1973; Member, Negotiating Team, Chairman's Committee and CPB, 1973; Member, Board of Sovernors, P.B.S., 1973-1976, (served on Executive Board, P.B.S., 1973-1976, served as Chairman, Member Services Committee, P.B.S., 1974; served as Chairman, Special Educative Services Committee, P.B.S., 1974; served as Chairman, Special Educative Services Committee, P.B.S., 1974).

Named as Alternate Delegate, Democratic Convention, 1964 by Mississip; Regular Democratic Party; named as Delegate, Democratic Convention, 1964 by Mississippi Regular Democratic Party.

Member, Carter Steering Committee, Mississippi, 1976.

THE WHITE HOUSE WASHINGTON
March 28, 1977

Frank Moore -

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

Re: Letter from Congressman Glickman



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ENROLLED BILL
AGENCY BILL
Staffing comments
should go to Bert
Carp within 48
hours; due from
Carp to Staff
Secretary next day.

CAB DECISION

EXECUTIVE ORDER

Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day.

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1	WELLS VOORDE

THE WHITE HOUSE

March 28, 1977

THE PERSIDENT HAS SEEN.

MEMORANDUM FOR:

THE PRESIDENT

FROM:

FRANK MOORE F. 71.

The attached letter from Congressman Dan Glickman is worth a reading.

Frank on it

DAN GLICKMAN FOURTH DISTRICT—KANSAS

JACK WILLIAMS AUMINISTRATIVE ASSISTANT

1128 LONGWORTH BUILDING WASHINGTON, D.C. 20515 (202) 225-6216



FOURTH DISTRICT OFFICES: MYRNE ROE ADMINISTRATIVE ASSISTANT

U.S. POST OFFICE AND COURT HOUSE BOX 403—ROOM 311 WICHITA, KANSAS 67201 (316) 626-6396

U.S. Post Office Building Room 211 128 East First Street Hutchinson, Kansas 67501 (316) 659-9011

CONGRESS OF THE UNITED STATES

HOUSE OF REPRESENTATIVES WASHINGTON, D.C. 20515

AGRICULTURE COMMITTEE

SUBCOMMITTEES:
LIVESTOCK AND GRAINS
CONSERVATION AND CREDIT
DOMESTIC MARKETING, CONSUMER RELATIONS AND NUTRITION

Enveloper marked "personal"

President Jimmy Carter The White House Washington, D. C. 20550

Personal

Dear Mr. President:

SCIENCE AND TECHNOLOGY COMMITTEE

SUBCOMMITTEES:
TRANSPORTATION, AVIATION AND WEATHER
ADVANCED ENERGY TECHNOLOGIES AND ENERGY CONSERVATION RESEARCH,
DEVELOPMENT AND DEMONSTRATION
DOMESTIC AND INTERNATIONAL SCIENTIFIC PLANNING, ANALYSIS AND
COOPERATION

March 16, 1977



This letter is meant to have a heart to heart tone. I am a freshman like yourself and am in the tenuous position of being the first Democrat in 40 years to represent the Fourth Congressional District of Kansas.

Perhaps I am a bit more sensitive than I need to be on the question of methodology, but to be frank, I believe that many Democratic Members of Congress feel that they are not needed by this Administration. I would suggest that the mere fact that we have a large majority in the Congress is no reason for anybody in the Administration to take Members for granted. I am positive that this is not your intent, but I wanted to make you aware of the "rumbling" that I am hearing from Democrats on the floor who are not in leadership positions.

In my brief tenure on this earth I have learned that it is often more important how you do things than what you actually end up doing. Your openness and desire for input from the American people are beautiful examples of making people part of the method of deciding how to do things. I am only suggesting that you think about allowing the same things with all Members of Congress. I think you would find your job a lot easier and also find there would be much less tension with the Congress.

In this regard I would suggest that you establish periodic informal briefing sessions with you, your top staff and all Members of Congress so that everybody around here can feel they are part of the action. Perhaps once a week you might have a full Committee come to the White House for a breakfast briefing or have a random selection of 20 or 30 Members of Congress meet with you on a periodic basis.

My point is that you need not wait for an important bill or a crisis to occur in order to obtain Members' support. I think that with this kind of procedure the rapport would be substantially improved.

Of course, I have a selfish reason in suggesting all of this. My re-election as well as the re-election of other Democrats is dependent on a strong positive relationship between the Executive branch and Congress and I am convinced that this relationship can be fostered by us getting together more frequently and just talking.

You are going to be a great President. Without patronizing you, I firmly believe this and my early support of your candidacy (even prior to the announcment of my own candidacy for Congress) is evidence to this fact. The purpose of this letter is to help us both achieve excellence a little faster and with a little less heartache.

With best regards.

Dan Cliekman

March 28, 1977

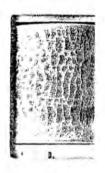
Hugh Carter -

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Bob Lipshutz Richard Harden

Re: Presidential Yacht





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	Huron within 48			WELLS
	hours; due from			VOORDE
	Huron to Staff		_	
	Secretary next day.			

Mr. President:

Staff comment on Hugh's memo:

Harden: Keep the yacht.

Of the options for disposition of the yacht on p. 2 of Hugh's memo, Lipshutz favors #2 (transfer to Navy Memorial Museum) and Jordan and Costanza favor #3 (disposal through public sale).

Jordan observes: "The Sequoia should be sold or given to someone who can use it for historical purposes. The President doesn't need it, and if it is given to the Defense Department, you'll have the generals using it instead of the President."

Rick

THE WHITE HOUSE

WASHINGTON

March 23, 1977
THE FILESUDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

FROM:

HUGH CARTER, JR.

SUBJECT:

Presidential Yacht (Per Your Request)

Here are the options concerning disposition of SEQUOIA. A decision should be made first on keep/don't keep the SEQUOIA, but you may want to also consider what would be done with SEQUOIA if it was not kept prior to reaching that decision. Factors pertinent to the keep/don't keep decision are:

- Cost to operate and maintain is approximately \$800,000 per year, including salaries.
 - It is expected that SEQUOIA support needs will be reduced by \$100,000-\$200,000 in the coming fiscal year through cost reduction efforts by Department of Defense.
 - SEQUOIA could be kept, as the Presidential yacht, ready for use but not used with approximate annual savings of \$400,000.
 - The SEQUOIA is a very modest yacht in comparison to many civilian and past-Presidential yachts. Length is 99', largest Presidential yacht was 275'.
 - If sold, it is difficult to estimate how much SEQUOIA might bring, but somewhere in the \$200,000-\$400,000 range would be an order of magnitude estimate.
 - SEQUOIA's remaining practical life is about 10 years.
- Amount of usage if kept. Average annual usage over the last two years was 50 (2 by the President). Highest usage was 109, in 1971.
 - Past usage has included entertainment of foreign and domestic dignataries, staff meetings, birthday parties, etc.
- 3. If a Presidential yacht was needed for a specific purpose, one could be rented or leased. A 35' yacht would rent for about \$200/day.
 - A few Admiral's barges are in inventory, although smaller and less capable than SEQUOIA. Two are in the Washington area and available to the President. Also, disposing of SEQUOIA might set an example for disposing of Admiral's barges.

 Public reaction to elimination (cost vs. tradition).

 Presidential yacht tradition dates back to 1865, and there have been nine Presidential yachts.

- Disposing of SEQUOIA may preclude future Presidents from obtaining a Presidential yacht because of public reaction.

- SEQUOIA itself does not serve an official function that is necessary for the well-being and security of the Nation.

If you decide not to keep SEQUOIA, the following options for disposition exist:

1. Direct its deactivation and disposal in a manner befitting its prior service. This could include instructions that the boat never again be used as a government pleasure craft at government expense. Maximum annual savings could approximate \$800,000. If Department of Defense and GSA could not find a legitimate non-pleasure use for the boat, it would be sold to the highest bidder. Strict control would have to be maintained with this option to insure any legitimate use was truly non-pleasure.

Lipshutz

2. Transfer the SEQUOIA to the Navy Memorial Museum in Washington. Although savings would be approximately \$600,000, funding of at least \$100,000 would have to be accomplished for upkeep, as the Museum does not have funds available.

Costanza Jordan

- Direct its deactivation and disposal through public sale. This would not allow any other options to be considered, and annual savings would be \$800,000.
- 4. Direct SEQUOIA's deactivation as the Presidential yacht. SEQUOIA would remain in Navy inventory, and be used as the Defense Department saw fit. The President would use it when desired, and annual savings to the government would be less than \$50,000.

The possibility of transfer to the Smithsonian Institution has been explored, but they do not have the necessary space.

Please indicate your preference:

KEEP	DON'T KEEP	V
If don't keep, option	Self	

TC

THE WHITE HOUSE

WASHINGTON

Date: March 24, 1977	MEMORANDUM
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FOR INFORMATION:

FOR ACTION:

The Vice President

Midge Costanza Jack Watson Stu Eizenstat

Bichard Harden Jody Powell Hamilton Jordan

Bob Lipshutz Frank Moore

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Hugh Carter memo 3/23/77 re Presidential Yacht

(Per Your Request)

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: IMMEDIATE TURNAROUND

DAY:

DATE:

ACTION REQUESTED:

X Your comments

Other:

STAFF RESPONSE:

___ I concur.

No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052) THE WHITE HOUSE WASHINGTON

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-		EXECUTIV	
		Starring	comments
		should g	o to Doug
		Huron wi	

hours; due from Huron to Staff

Secretary next day.

	ARAGON
_	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
_	GAMMILL
	HARDEN
_	HOYT
	HUTCHESON
L	JAGODA
_	KING
-	KRAFT
_	LANCE
	LINDER
-	MITCHELL
-	POSTON
-	PRESS
-	B. RAINWATER
1-	SCHLESINGER
-	SCHNEIDERS
1	SCHULTZE
1	SIEGEL
1	SMITH
+	VOORDE

THE WHITE HOUSE

WASHINGTON

March 23, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

HUGH CARTER, JR.

SUBJECT:

Presidential Yacht (Per Your Request)

Here are the options concerning disposition of SEQUOIA. A decision should be made first on keep/don't keep the SEQUOIA, but you may want to also consider what would be done with SEQUOIA if it was not kept prior to reaching that decision. Factors pertinent to the keep/don't keep decision are:

- Cost to operate and maintain is approximately \$800,000 per year, including salaries.
 - It is expected that SEQUOIA support needs will be reduced by \$100,000-\$200,000 in the coming fiscal year through cost reduction efforts by Department of Defense.
 - SEQUOIA could be kept, as the Presidential yacht, ready for use but not used with approximate annual savings of \$400,000.
 - The SEQUOIA is a very modest yacht in comparison to many civilian and past-Presidential yachts. Length is 99', largest Presidential yacht was 275'.
 - If sold, it is difficult to estimate how much SEQUOIA might bring, but somewhere in the \$200,000-\$400,000 range would be an order of magnitude estimate.
 - SEQUOIA's remaining practical life is about 10 years.
- Amount of usage if kept. Average annual usage over the last two years was 50 (2 by the President). Highest usage was 109, in 1971.
 - Past usage has included entertainment of foreign and domestic dignataries, staff meetings, birthday parties, etc.
- 3. If a Presidential yacht was needed for a specific purpose, one could be rented or leased. A 35' yacht would rent for about \$200/day.
 - A few Admiral's barges are in inventory, although smaller and less capable than SEQUOIA. Two are in the Washington area and available to the President. Also, disposing of SEQUOIA might set an example for disposing of Admiral's barges.

- Public reaction to elimination (cost vs. tradition).
 - Presidential yacht tradition dates back to 1865, and there have been nine Presidential yachts.
 - Disposing of SEQUOIA may preclude future Presidents from obtaining a Presidential yacht because of public reaction.
 - SEQUOIA itself does not serve an official function that is necessary for the well-being and security of the Nation.

If you decide not to keep SEQUOIA, the following options for disposition exist:

- 1. Direct its deactivation and disposal in a manner befitting its prior service. This could include instructions that the boat never again be used as a government pleasure craft at government expense. Maximum annual savings could approximate \$800,000. If Department of Defense and GSA could not find a legitimate non-pleasure use for the boat, it would be sold to the highest bidder. Strict control would have to be maintained with this option to insure any legitimate use was truly non-pleasure.
- 2. Transfer the SEQUOIA to the Navy Memorial Museum in Washington. Although savings would be approximately \$600,000, funding of at least \$100,000 would have to be accomplished for upkeep, as the Museum does not have funds available.
- 3. Direct its deactivation and disposal through public sale. This would not allow any other options to be considered, and annual savings would be \$800,000.
- 4. Direct SEQUOIA's deactivation as the Presidential yacht. SEQUOIA would remain in Navy inventory, and be used as the Defense Department saw fit. The President would use it when desired, and annual savings to the government would be less than \$50,000.

The	possi	bility	of	trar	sfer	to	the	Smith	son	ian	Institu	tion
		explore										

Please indicate your preference:

KE	EP			_ DON'T	KEEP_	
Ιf	don't	keep,	option			

Date: March 24, 1977

MEMORANDUM

FOR ACTION:

The Vice President

Midge Costanza

Jack Watson ichard Harder

Stu Eizenstat Hamilton Jordan

Jody Powell

Bob Lipshutz Frank Moore

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Hugh Carter memo 3/23/77 re Presidential Yacht

(Per Your Request)

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: IMMEDIATE TURNAROUND

DAY:

DATE:

ACTION REQUESTED:

X Your comments

Other:

FOR INFORMATION:

STAFF RESPONSE:

l concur.

No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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The possibility of transfer to the Smithsonian Institution has been explored, but they do not have the necessary space.

Please indicate your preference:

KEEP	DON'T KEEP
If don't keep, optio	n
If the Soo	
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it for historical p	or pasos. The Prosider
to Defo 4 Depos	that, sould have the
- latery s	enends us in it with it
of to Prosite	-

THE WHITE HOUSE

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The	possibility	of	tran	nsfer	to	the	Smith	nson	ian	Institu	ition
has	been explor	ced,	but	they	do	not	have	the	nec	cessary	space.

Please	indicate	your pr	eferer	nce:		/
KEE	9			DON'T	KEEP_	
If d	don't keep	o, optic	n #	3		

Date: March 24, 1977

MEMORANDUM

FOR ACTION:

The Vice President

Midge Costanza

Jack Watson

Stu Eizenstat Hamilton Jordan Richard Harden

Bob Lipshutz

Jody Powell

Frank Moore

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Hugh Carter memo 3/23/77 re Presidential Yacht

FOR INFORMATION:

(Per Your Request)

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: IMMEDIATE TURNAROUND

DAY:

DATE:

ACTION REQUESTED:

X Your comments

Other:

STAFF RESPONSE:

___ I concur.

Please note other comments below:

No comment.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

Date: March 24, 1977

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FOR ACTION:

The Vice President

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DAY:

DATE:

ACTION REQUESTED:

X Your comments

Other:

STAFF RESPONSE:

I concur.

No comment.

Please note other comments below:

option #2, on gage 2.

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Frank Moore

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X Your comments

Other:

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DATE:

ACTION REQUESTED:

X_ Your comments

Other:

STAFF RESPONSE:

__ I concur.

Please note other comments below:

No comment.

FOR INFORMATION:

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THE WHITE HOUSE WASHINGTON

ACTION	FYI	
Q.	H	
_	-	MONDALE
_	_	COSTANZA
_	-	EIZENSTAT
-	-	JORDAN
_		LIPSHUTZ
		MOORE
		POWELL
		WATSON
	F	OR STAFFING
		OR INFORMATION
X	F	ROM PRESIDENT'S OUTBOX
	L	OG IN/TO PRESIDENT TOD
	LI	MMEDIATE TURNAROUND

ENROLLED BILL
AGENCY BILL
Staffing comments
should go to Bert
Carp within 48
hours; due from
Carp to Staff
Secretary next day.

CAB DECISION

EXECUTIVE ORDER

Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day.

ACTION	FYI	
		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		CARP
	D	H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
		KING
-		KRAFT
		LANCE
1		LINDER
1		MITCHELL
1		POSTON
		PRESS
_		B. RAINWATER
1		SCHLESINGER
	_	SCHNEIDERS
1		SCHULTZE
I		SIEGEL
		SMITH
1		WELLS
		VOORDE

THE WHITE HOUSE WASHINGTON
March 28, 1977

Hugh Carter

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

Re: Weekly Mail Report

TIDE THUS ADDING HAS BREN.

THE WHITE HOUSE

WASHINGTON

March 26, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

HUGH CARTER

SUBJECT:

Weekly Mail Report (Per Your Request)

Below are statistics on the mail situation:

Incoming	Week Ending 3/19	Week Ending 3/26
Presidential	58,667	74,842
First Lady	2,790	3,316
Amy	719	653 🛰
Other First Family	172	<u>111</u> ¥
Total	62,348	78,922

Backlog	Week Ending 3/19	Week Ending 3/26
Presidential	93,745	42,800
First Lady	5,000	2,000
Amy	12,319	13,000 ->
Chip & Jeff		
Miss Lillian	3,100	3,200 ->
Transition	80,000	80,000 ->
Total	194,164	141,000

DISTRIBUTION OF PRESIDENTIAL MAIL ANALYZED

	Week Ending	3/19	Week Ending 3/26
Agency Referrals	52%		55%
WH Correspondence	27%		18%
Direct File	7%		5%
White House Staff	8 %		19%
Other	68		3%
Total	100%		100%

See Notes on following page

Electrostatic Copy Made for Preservation Purposes



NOTES: Mail - Week Ending 3/26/77

- 1. Overall Backlog was reduced by 53,164 in addition to new receipts of 78,922. The April 15 deadline will be met.
- Incoming Receipts of Presidential mail are running at an annualized rate of approximately three times the 1976 rate.
- 3. Amy's postcard has arrived. (sample attached) Approximately 5,000 of the 13,000 backlog has been opened, read and expedit coded. 80% of Amy's mail is answerable by the postcard.
- 4. Miss Lillian's mail is being done in-house after counsel determined it would be appropriate to do so. It is being read by a special group of analysts who will also develop appropriate responses.
- 5. Transition mail, comprising 80,000 letters, left over from the last weeks of the transition, will be started next week. This mail had been previously opened and screened for more important letters, which were answered. Most of it appears to be general support mail, Christmas cards, etc. It will nonetheless all be rescreened for any mail which requires answering or agency referral, and the balance filed.
- 6. "Clinton" mail (marked on envelope) as of today totaled 555 pieces, approximately 50% from Clinton and environs, and the balance from other areas. These have been analyzed by a special group and the letters themselves with a tally of the subjects and suggestions will be delivered to you no later than Tuesday.
- 7. A tally of writers' positions on key issues is attached.

Electrostatic Copy Made for Preservation Purposes

MAJOR ISSUES IN CURRENT PRESIDENTIAL ADULT MAIL Week Ending 3/26/77

Issue	Pro	Con	Comment Only	Total Number of Letters
Presidential Call-In	53%	6%	41%	445
Aid to Soviet Jews	98%	0%	2%	1431
Legalization Marijuana	17%	80%	3%	313
Energy Saving Suggestions		27 1	100%	1150
Water Project Cuts	77%	21%	2%	1630
Common Situs Picketing Bill	2%	98%	æ	5043
Imports (Shoes, TV etc.)	7%	93%	22	383
Eliminate purchase requirements - Food Stamps	99%	÷	42	636
Continued Use of Saccharin	99%	1%		3947
U.N. Speech 3/17	93%	7%		512
Use of Off-road vehicles on Public Land (Snowmobiles)	100%		-	

THE WHITE HOUSE WASHINGTON

March 28, 1977

The Vice President
Midge Costanza
Stu Eizenstat
Hamilton Jordan
Bob Lipshutz
Frank Moore
Jody Powell
Jack Watson

The attached is forwarded to you for your information.

Rick Hutcheson

Re: Weekly Mail Report (Per Your Request)

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WASHINGTON

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Thank you for writing to me. It's fun living in the White House, and I'm glad you are my friend. Army Cartar

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Use of Off-road vehicles on Public Land (Snowmobiles)	100%	12	+-	5919

THE PRESIDENT'S SCHEDULE

Monday - March 28, 1977

8:00	Dr. Zbigniew Brzezinski - The Oval Office.
8:15	Mr. Frank Moore - The Oval Office.
8:30	Senior Staff Meeting - The Roosevelt Room.
9:00 (2 hrs.)	Meeting of the Cabinet. (Mr. Jack Watson). The Cabinet Room.
12:00	Lunch with Vice President Walter F. Mondale. The Oval Office.
1:30	Dr. James Schlesinger - The Oval Office.
1:55	Mr. Edson Arantes do Nascimento (Pele). (Ms. Bunny Mitchell) - The Oval Office. Meeting with the Economic Policy Group. (Mr. Jack Watson) - The Roosevelt Room.
2:45 (15 min.)	Meeting with the Economic Policy Group. (Mr. Jack Watson) - The Roosevelt Room.

Electrostatic Copy Made for Preservation Purpeses

THE WHITE HOUSE WASHINGTON

March 28, 1977

Z. Brzezinski

The attached was returned in the President's outbox.

The copy is sent to you for forwarding to Ambassador Young.

Rick Hutcheson

Re: Summary of U.S. Mission to UN Activities 3/17 thru 3/24/77





THE WHITE HOUSE WASHINGTON

mdy Young

CONEIDENTIAL

March 24, 1977

T0:

President Carter

THROUGH:

Jack Watson

FROM:

USUN - Amblassador Young 53

SUBJECT:

Weekly Summary of U.S. Mission to UN Activities for Period March 17 through 24, 1977

SECURITY COUNCIL

USUN this week launched intensive consultations and debate in the Security Council on "the question of South Africa," directed toward implementation of the President's policy determinations. The clear objective has been to encourage the Western Members of the Security Council to initiate a strategy that advances the goal of majority rule, which is a departure from the past.

(a) Amb. Young hosted a working breakfast March 17 at which he presented to key African and non-aligned leaders an outline of our proposal for constructive Western-African cooperation moving forward on South Africa.

- (b) On March 18, USUN met for confidential conversation with African National Congress (ANC) reps George Nyandoro and Ishmael Adams (escorted by Esrome T. Kuruneri, UNDP, New York).
- (c) Amb. Young spoke as President of the Security Council at the annual anti-apartheid ceremonies commemorating the Sharpeville incident on March 21.
- (d) Amb. Young convened the Security Council for commencement of debate on the South African question March 21.
- Amb. Young held a series of consultations March 21, 22 and 23 with Western allies on the Security Council and African leaders in further negotiation pointing toward implementation of our new approach to southern Africa.
- (f) On March 22 we received an approach from the Egyptians requesting commencement of the debate on the SYG's Middle East report March 25.
- <u>USUN WASHINGTON OFFICE/BLANKENHORN MEETING, THURS. MARCH 17</u> Washington Office discussed with Amb. Blankenhorn (former FRG Perm Rep to the UN), now personal representative of UNESCO Director M'Bow, aspects of U.S. funding for UNESCO. He expressed the Director's grave concern regarding Congressional appropriations for UNESCO.

PRESIDENT CARTER'S VISIT

in way

The Mission has recorded the extraordinarily favorable impact in the UN community of President Carter's foreign policy address at the UN March 17. Summary of diplomatic reactions attached.

- YOUNG/ATHERTON MEETING AT STATE, SAT. MARCH 19 Discussed aspects of the Middle East.
- YOUNG/BOMANI (AMB. OF TANZANIA) MEETING, SAT. MARCH 19
 Amb. Young and Bomani discussed southern African issues.
- 6. YOUNG GIVES EULOGY AT HAMER FUNERAL, SUN. MARCH 20
 Amb. Young eulogized Mrs. Fannie Lou Hamer, civil rights leader, at funeral services March 20, Ruleville, Mississippi. Amb. Young led Presidential delegation which included Vernon Jordan, Hodding Carter, Patricia Darien, Mary King, and Dr. Peter Bourne.

CONEIDENTIAL

(over)

COLUMN D. J. Per; Rac Project ESDN: NLC-126-6-32-1-9 BY ROX NABA DATE 1/11/13



7. U.S. PLEDGE TO UN FOR UNETPSA, MON. MARCH 21
On March 21, 1977 a U.S. pledge of \$50,000 was presented to
U.N. Secretary General Waldheim for the United Nations Educational
and Training Program for Southern Africa (UNETSA). The funds are
to be earmarked for the training of Namibians.

8. USUN WASHINGTON OFFICE/JACKSON (TREASURY DEPT.) MEETING, MON. MARCH 21

Discussions with Mr. Jeffrey Jackson of Treasury and Mr. Fields of AID re: joint economic commissions and the potential of such a venture with Nigeria.

9. TESTIMONY BEFORE THE FOREIGN RELATIONS COMMITTEE ON VOLUNTARY CONTRIBUTIONS, WED. MARCH 23
Ambassador-designate Leonard joined C. William Maynes in

Ambassador-designate Leonard joined C. William Maynes in testimony before the Foreign Relations Committee on Voluntary Contributions, especially urging full funding of UNDP and UNRRWA.

10. SPECIAL SESSION ON DISARMAMENT
Ambassador-designate Leonard continued consultations and preparations for the first Preparatory Committee meeting next week.

11. OUTER SPACE AND TERRORISM
The U.S. delegations continued negotiations in the proceedings of UN Committees dealing with Terrorism and Outer Space.

Attachment: USUN 834

CONFIDENTIAL



Department of State TELEGRAM

COR TOENTIAL

PAGE 22

USUN N 00834 31 OF 32 190708Z

AMEMBASSY PAPIS
AMEMBASSY SAN JUSE
AMEMBASSY PRETORIA
AMEMBASSY ROME
AMEMBASSY SLOUL
AMEMBASSY STOCKHULM
AMEMBASSY TEKRAN
AMEMBASSY TOKYO
AMEMBASSY VIENNA
USLO PEKING
AMEMBASSY YADUNUE
USMISSION NATU
AMEMBASSY NOJAMENA

CONFIDENTIAL SECTION 1 OF 2 USUN 0834

CAPETOWN FOR EMBASSY

E.G. 11652: GDS
TAGS: PFOR, UN, US
SUBJECT: REACTIONS TO PRESIDENT CARTER'S MARCH 17 SPEECH
AT UNITED NATIONS

1. SUMMARY: REACTIONS HERE TO PRESIDENT CARTER'S MARCH 17
SPEECH AT UN HEADQUARTERS HAVE BEEN, HITH A FEW MAINLY
PREDICTABLE EXCEPTIONS, MOST FAVORABLE. THERE HAS BEEN
MUCH COMMENT ON THE SINCERITY OF THE SPEECH AS AN EARNEST
OF THE NEW ADMINISTRATION'S RESOLVE TO PRESS THROUGH WITH
CAMPAIGN PLEDGES. THERE HAS BEEN PRAISE FOR THE SKILL
WITH WHICH THE SPEECH WAS ASSEMBLED TO ADDRESS IN A RELATIVELY
BRIEF SPACE, VIRTUALLY EVERY IMPOPTANT UN CONCERN. PRESIDENT
CARTER'SSTYLE OF DELIVERY HAS BEEN APPLAUDED. SECRETARY
GENERAL WALDHEIM, WHO WAS ENTHUSIASTIC OVER HIS RECEPTION IN
WASHINGTON BY PRESIDENT CARTER, IS REPORTEDLY EQUALLY PLEASED
OVER THE SUCCESS OF PRESIDENT CARTER'S VISIT TO THE UN.

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ACCUPDING TO A UN SECRETARIAT CAFICIAL, THE SUVIETS ARE NOW CONCERNED THAT MALDHEIN, SINCE HIS MEELECTION, HAS BEEN SHIFTING CLOSER TO THE MEST. END SUMBARY.

2. SECRETARIAT: THE UN PRESS STOKESMAN SAID ON MARCH 18, THAT WALCHETH WAS VERY HAPPY" ABOUT PRESIDENT CARTER'S VISIT.

DTHER SECRETARIAT OFFICIALS, UN THE WHOLE, ARE REPORTEDLY HIGHLY SATISFIED AS WELL WITH PRESIDENT CARTER'S SPEECH AND VISIT.

ACCORDING TO A SECRETARIAT OFFICIAL, SOVIETS IN THE SECRE.

TARIAT AND IN THE SUVIET MISSION AVE RECOME UNEASY THAT WALCHEIM, SINCE THE LATTER'S REELECTION, HAS BEEN SHIFTING CLOSER TO THE WEST. IT SHOULD BE NOTED THAT THERE APE SOME NEGATIVE MOTES IN THE SECPETARIAT REGARDING PRESIDENT CARTER'S PROPOSAL THAT THE HUMAN RIGHTS DIVISION BE MOVED BACK TO NEW YORK.

3. WESTERN EUROPEAN AND OTHERS SKOUP
A. UK: AMB IVOR RICHARD DESCRIVED SPEECH AS "IMPORTANT AND TRULY IN THE STYLE OF 19TH CENTURY LIBERALISM. WESTERN EUROPEAN COUNTRIES WILL BE MUST GRATEFUL." B. THE NETHERLANDS: AMB KAUFMANN DESCRIBED SPEECH AS "EXCELLENT, THE PORTION ON HUMAN RIGHTS WAS RIGHT ON TARGET." C. FRG: AMB VON WECHMAR DESCRIBED ADDRESS AS "A FINE SPEECH WHICH WILL BE WELL RECEIVED BY ALL FREE PEOPLE AND THOSE NOT YET FREE." D. ITALY: DEPUTY PERMREP CAVGLIERI THOUGHT SPEECH "MASTERFUL" IN ITS ORGANIZATION AND COMPREHENSIVE CONTENT. HE STRESSED THAT VIRTUALLY EVERY TOPIC OF IMPORTANCE TO UN WAS COVERED WITH SINCERITY AND CLARITY AND ALL THIS IN A SHORT SPACE OF TIME. E. SWEDEN: WORKING-LEVEL OFFICERS HAD GENERAL PRAISE, BUT SAID PROPOSALS COULD HAVE BEEN MORE "SPECIFIC". F. GREECES WORKING-LEVEL OFFICER SAID, "WE DID NOT MAKE IT THIS TIME," AUSTRALIA: WORKING-LEVEL OFFICER PRAISED SPEECH AND

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SAID FULL NOTE TAKEN OF PRESIDENT'S REFERENCE TO INDIAN

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OCFAN.

A. FATALA: AME ILLUECA TERMED REFERENCE TO CANAL

POSITIVE AND HELPFUL."

B. COSTA RICA: AMB SALAZAR AND HIS DELEGATION ARE

GLOWING OVER PRESIDENT'S REFERENCE TO COSTA RICA'S RPOPOSAL

FOR HUMAN RIGHTS COMMISSIONER.

C. PRAZIL: ARGENTINA'S AMB URTIZ DE ROZAS HAS TOLD US

HIS BRAZILIAN COLLEAGUE HAD ORDERS TO WALK OUT IF REFERENCE

WAS MADE TO BRAZIL IN CONNECTION WITH HUMAN RIGHTS VIOLATIONS.

ORTIZ SAID HE HAD SOUGHT SIMILAR INSTRUCTIONS FROM BUENOS

AIRES.

D. BULIVIA, URUGUAY AND SURINAM: WORKING-LEVEL
REPRESENTATIVES GAVE SPEECH GENERALLY POSITIVE APPRAISAL.

E. BARBADOS: DEPUTY PERMERP HEPBURN INDICATED SOME

RESERVATIONS, BUT DID NOT GO INTO ANY DETAIL.

5. EASTERN EUROPE
A. ROMANIA: WORKING-LEVEL OFFICER EXPRESSED HIGH PRAISE
AND SAID US POSITION VIS-A-VIS UN ENHANCED.

B. EAST GERMANY: WORKING-LEVEL OFFICERS DISPLAYED
COMPLETE NEGATIVISM, CLAIMING SPEECH A "DISAPPOINTMENT"; NOT
ENOUGH ON SOUTHERN AFRICA AND MIDDLE EAST: KOREA IGNORED;
ONE MAN CANNOT TELL UN TO MRETURN HUMAN RIGHTS DIVISION TO
NEW YORK; "IS CARTER SAYING FREE PRESS DOES NOT EXIST IN
SWITZERLAND?"

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USUN N 30834 W2 OF W2 190728Z

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AMEMBASSY SAN JOSE

AMEMBASSY PRETORIA

AMEMBASSY PO'S

AMEMBASSY SEGUL

AMEMBASSY SEGUL

AMEMBASSY STOCKHOLM

AMEMBASSY TEHRAN

AMEMBASSY TOKYO

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CONFIDENTIAL SECTION POF 2 USUN P834

CAPETOWN FOR EMPASSY

C. USSR: POLITICAL COUNSELOR TULINOV, "NOT EXACTLY
THE KIND OF SPEECH I HOULD HAVE WRITTNE." OTHER WORKINGLEVEL SOVIETS CONSIDERED DELIVERY EXCELLENT, BUT NOTED.
DISAGREEMENT WITH "PARTS OF SPEECH": THEY SAID THEY
NEEDED TO STUDY IT BEFORE THEY COULD MAKE IN-DEPTH COMMENTS.

A. SOUTH AFRICA: ALTHOUGH AMB BUTHA FELT SPEECH VERY
HARD ON HIS COUNTRY, HE WAS NOT UNDULY CRITICAL HIMSELF.

B. ALGERIA: (DEPTY PERM PEP) - FAVORABLE REACTION.

C. BOTSWANA: (PERMREP TLOU), DAU (ACTING OBSERVER SAM),
CHAD (WORKING-LEVEL), GUINEA (PERMREP), MOROCCO (DEPUTY
PERMREP), MALI (PERM REP), NIGERIA (CHARGE FROM WASHINGTON
AND DEPUTY PERMREP), SENEGAL (PERMREP), CAMEROON (WORKING-LEVEL),
AND ZAIRE (PERMREP), ALL HAD FAVORABLE COMMENTS.

C. EGYPT: (COUNSELOR HAGGAG)-WHILE SECTION ON MIDDLE
EAST WAS RELATIVELY SHORT, HE HAD NO CRITICISM TO MAKE.

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PAGE 03

USUN N 00834 W2 OF 02 190728Z

E. TANZANIA: (WORKING-LEVEL) - ENCOURAGING THAT NEW PRESIDENT HAD COME TO UN SO EARLY TO MAKE SUCH AN EFFORT TO COOPERATE WITH MEMBER NATIONS.

ASTA A. IRAN: AMB HOVEYDA - ENTHUSIASTIC. JORDAN: COUNSELOR GAMMOH-FAVORABLE REACTION, ALTHOUGH PORTION ON MIDDLE EAST WAS BRIEF. CHINA: POLITICAL COUNSELOR CHOU NAN SAID TIME NEEDED TO STUDY SPEECH, BUT NOTED FAVORABLY REFERENCE TO SHANGHAI COMMUNIQUE. INDONESIA: MINISTER JOEWOND SAID INDONESIAN MISSION STAFF HAD APPRAISED SPEECH AND THAT IT PARTICULARLY PLEASED WITH REFERENCE TO SOUTHEAST ASIA. MISSION ALSO APPLAUDED SINCERE AND COMPREHENSIVE QUALITY OF ADDRESS. MISSION SAW SPEECH AS EVIDENCE THAT NEW ADMINISTRATION IS DETERMINED TO PRESS THROUGH ON CAMPAIGN PROMISES. JOEWONO NOTED, HOWEVER, THAT INDONESIA HAS ITS PROBLEMS IN THE FIELD OF HUMAN RIGHTS, GIVEN ITS BODY OF POLITICAL PRISONERS. JAPAN: COUNSELOR KATO PRAISED SPEECH, TERMING IT "A GOOD, FRANK STATEMENT." KATO ADDED THAT SOME MEMBERS OF JAPAN'S MISSION HAD EXPRESSED RESERVE ABOUT PRESIDENT CARTER'S TACTIC OF MAKING PROPOSALS WITHOUT PRELIMINARY INTERNATINAL CONSULTATION, BUT KATO APPROVED OF THIS AS A WAY TO ENSURE DISCUSSION. F. ROK: AMB MOUN THOUGHT SPEECH SINCERE. HE DID NOT COMMENT TO US ON HUMAN RIGHTS ASPECT. SHERER

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FORM DS-1652

THE WHITE HOUSE

WASHINGTON

March 26, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT Stu

SUBJECT:

Comments on EPG Cargo Preference

Memorandum

I believe that Option C, despite the high political costs, is preferable on the merits. I think it will be possible, if Option C is pursued, to develop an alternative package which will ameliorate labor's dissatisfaction with our position on Cargo Preference.

If you decide to pursue Option C, I recommend that two steps be taken prior to any public announcement of the Administration's position:

- 1) You should talk to Senators Long and Magnuson and to Congressman John Murphy (Chairman of the House Committee on Merchant Marine and Fisheries) in order to get their assessment of the strength of Congress' commitment to Cargo Preference Legislation, as well as to give them a sense of involvement.
- 2) A meeting between the Maritime Industry and some of your advisors on this issue should be arranged. I have been in touch with the industry's representatives, and they believe that they have a commitment from you to support Cargo Preference. We could use such a meeting to explain why the Administration cannot support Cargo Preference and to discuss the alternatives we are interested in pursuing.

(Attached is a copy of your main statements during the campaign affecting the Maritime Industry. I do not read those statements to indicate a commitment on Cargo Preference Legislation, though I can see how a broad reading by the industry could lead to such an interpretation.)

PAST STATEMENTS BY PRESIDENT CARTER

In a discussion of Cargo Preference with leaders of the National Maritime Union at the time they endorsed him for President last spring, Mr. Carter said the following:

"Well one thing that I've learned as Governor and I believe that I can see clearly the prospect as President is that if it did cost two cents a gallon more or one cent a gallon more, I think that if I went to the American people and I would say, 'look it's going to cost us a million gallons of gasoline* to haul the fuel in our ships. I'd think it's gratifying to have the strength and that insurance which you need for a strong merchant marine. This is what I am recommending to the Congress and to the people.' I believe that the American people would say well you know that's reasonable. You might have to give this product or that product we have to have a nation that's bound together.

We've seen the American people mislead so often that they kind of lost confidence in the Government. But I think that if you approach a problem head-on if in certain circumstances it does cost more to ship on American ships the best thing to do is tell the American people that it cost more on American ships because we pay our seamen adequate wages. You wouldn't want to do otherwise. And I think this is a good investment for the American people to make sure we have an adequate ...**

At another meeting involving senior representatives of maritime management and labor and the Congress, Mr. Carter said on June 30, 1976:

"I'll feel responsible for that as President. I know that the cost will be fairly large. Sometimes there may be a necessity for slightly higher charge to haul cargo. I recognize that, but I believe that if I, as President, would present this proposition to the Congress and the people and say it might cost a little more -- and I'll expect you to cooperate to hold that cost down -- it might cost a little more but it will provide for our nation's defense, I think the American people will respond."

^{*} He must have misspoke here

^{**} Next word garbled.

In a letter of May 25, 1976, to the President, National Marine Engineers' Beneficial Association, Mr. Carter placed the following among the objectives for which he intended to work:

"Enact and develop a national cargo policy which would assure our U.S.-flag merchant marine a fair share of all types of cargo."

Finally, the 1976 Democratic Platform on Maritime Affairs includes as an objective:

"....the development of a national cargo policy which assures the U.S. fleet a fair participation in all U.S. trade."